



# Biotech Daily

Tuesday February 21, 2012

*Daily news on ASX-listed biotechnology companies*

- \* **ASX, BIOTECH UP: LIVING CELL UP 12%, CLINUVEL DOWN 8.5%**
- \* **SONIC DEAL ENDS GENETIC TECHNOLOGIES' 2<sup>nd</sup> US LAWSUIT**
- \* **MYRIAD, GENETIC TECHNOLOGIES BRCA GENE PATENT CASE**
- \* **LBT H1 REVENUE UP 52% TO \$481k, LOSS DOWN 18% TO \$653k**
- \* **COGSTATE H1 REVENUE UP 75% TO \$7m, PROFIT UP 480% TO \$3.4m**
- \* **UNIVERSITY OF QUEENSLAND MASTER OF BIOINFORMATICS**

## MARKET REPORT

The Australian stock market climbed 0.82 percent on Tuesday February 21, 2012 with the S&P ASX 200 up 35.1 points to 4291.2 points.

Thirteen of the Biotech Daily Top 40 stocks were up, 12 fell, nine traded unchanged and six were untraded.

Living Cell was the best, up 0.7 cents or 12.3 percent to 6.4 cents with 81,000 shares traded, followed by Uscom up 11.8 percent to 8.5 cents with 102,000 shares traded.

Antisense, Avita and Sunshine Heart climbed more than nine percent; Phylogica was up 8.8 percent; Benitec rose 5.3 percent; Sirtex was up 3.1 percent; Cochlear rose 2.6 percent; Acrux, Bionomics, QRX and Tissue Therapies were up more than one percent; with CSL and Mesoblast up by less than one percent.

Clinuvel led the falls, down 15.5 cents or 8.5 percent to \$1.665, with 14,650 shares traded.

Allied Health and Prima lost more than six percent; Compumedics fell 4.7 percent; Genetic Technologies and Neuren were down more than three percent; Anteo and Biota shed more than two percent; Alchemia, Pharmaxis and Viralytics were down more than one percent; with Resmed and Starpharma down by less than one percent.

## GENETIC TECHNOLOGIES

Genetic Technologies says that a settlement with companies associated with Sonic Healthcare has ended its second US patent infringement suit.

Genetic Technologies said the court action was filed in the US District Court for the Western District of Texas, in 2011 (BD: Jan 20, 2011) and followed the initial patent infringement law suit in the US District Court, Western District of Wisconsin against nine parties (BD: Feb 16, 2010).

Genetic Technologies said in January 2011 that all the counterparties to the second case were associated with Sonic Healthcare and followed the settlement with Sunrise Medical Laboratories of Hicksville, New York, which was also associated with Sonic Healthcare (BD: Jan 17, 2011).

Today, Genetic Technologies said that the precise commercial terms of the settlement with the Sonic Affiliates were covered by confidentiality provisions.

Genetic Technologies chief executive officer Dr Paul MacLeman said the patent assertion program “remains a strong and reliable source of non-dilutive funding”.

“The outcome of the suit against the Sonic Affiliates demonstrates our commitment to pursue a vigorous and geographically comprehensive assertion program,” Dr MacLeman said

Genetic Technologies said that a third suit was filed in the US District Court for the District of Colorado in 2011 (BD: May 26, 2011) against 10 counterparties was “also progressing well with three counterparties in that case having already settled”.

Genetic Technologies said it had licenced its non-coding DNA technology to more than 60 companies in a wide variety of life sciences industries and to date, more than \$73 million in contracted revenue has been generated from the granting of these licences.

Genetic Technologies fell half a cent or 3.85 percent to 12.5 cents.

## GENETIC TECHNOLOGIES

A trial to decide on the patentability of biological materials has begun in the Federal Court in New South Wales.

Justice John Nicholas is hearing a case brought by Cancer Voices Australia and Yvonne D'Arcy against Myriad Genetics and Genetic Technologies.

Genetic Technologies chief executive officer Dr Paul MacLeman told Biotech Daily that although his company was a party to the proceedings it had “no economic interest in the outcome”.

“We have withdrawn from active participation in the case,” Dr MacLeman said.

Cancer Voices Australia executive officer John Stubbs told Biotech Daily that the action challenged the patent on the gene mutation BRCA1, which was associated with an increased risk of breast and ovarian cancer.

Cancer Voices Australia has alleged that the patent held by Myriad and Genetic Technologies, known as Patent 686,004, is invalid.

In 2010 Myriad was sued in the US District Court in New York by the American Civil Liberties Union over the BRCA1 and BRCA2 patents and the Court found that the genes were not patentable as they were part of nature and not inventions (BD: Mar 30, 2010).

Dr MacLeman's predecessor as chief executive officer at Genetic Technologies, Michael Ohanessian wanted to recover costs from institutions performing the tests, but the company's founder and major shareholder Dr Mervyn Jacobson stepped in to reverse the decision (BD: Jun 11, Dec 2, 2008).

The case is continuing and is being widely reported in the general media.

Biotech Daily will report on the outcome of the trial.

### LBT INNOVATIONS

LBT says revenue was up 52 percent to \$481,485 for the six months to December 31, 2011, with the net loss after tax reduced 18.4 percent to \$652,606.

LBT said the funds were primarily from royalties from Biomérieux on sales of applicators for the Previ Isola automated agar plate streaker.

LBT was untraded at 4.5 cents.

### COGSTATE

Cogstate says revenue for the six months to December 31, 2011, was up 74.5 percent to \$7,009,197 with the net profit after tax up 480.0 percent to \$3,401,886.

Cogstate said the funds were primarily from sales of its cognition tests to pharmaceutical companies for clinical trials.

Cogstate was up half a cent or two percent to 25 cents.

### UNIVERSITY OF QUEENSLAND

The University of Queensland says there is a shortage of graduates with the skills to solve complex biological problems and is offering a postgraduate degree in bioinformatics.

The University of Queensland said that its Master of Bioinformatics would provide graduates specific training in the emerging discipline of bioinformatics, with a strong focus on statistical and computational analysis of genomes and proteins.

The University's School of Chemistry and Molecular Biosciences senior lecturer Dr Mikael Bodén said that analysis of the human genome would not have been possible without bioinformatics.

"The biotechnology sector, the pharmaceutical industry and other scientifically-oriented companies are investing heavily in computational approaches and today major research organizations have dedicated bioinformatics divisions," Dr Bodén said.

"Bioinformatics is a critical capability needed to support and drive modern genomics and molecular biology," Dr Bodén said.

"The life-science revolution is being driven by data of unprecedented volumes and complexity," Dr Bodén said.

"Highly trained personnel are urgently required to manage, integrate and extract knowledge from these data," he said.

"UQ's Master of Bioinformatics emphasizes practical skills, particularly extraction and analysis of data of vast volume and complexity," Dr Bodén said.

"The program is designed to lead students to understand, develop and effectively use best bioinformatics practice to solve scientific problems, initially through classroom work and ultimately through immersion in a research laboratory," Dr Bodén said.

The University of Queensland said the program would appeal to graduates with degrees in biological science, information technology or mathematics.

For program details, go to [www.scmb.uq.edu.au/master](http://www.scmb.uq.edu.au/master).